

REPORT TO COUNCIL

REPORT OF: Corporate Head of Finance and Resources

REPORT NO.: CHFR22

DATE: 30th November 2006

TITLE:	Members Allowances - Outcome of Independent Remuneration Panel Report
FORWARD PLAN ITEM:	N/A
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	N/A
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Decision reserved for Full Council

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Councillor P Carpenter, Access and Engagement & Councillor T Bryant, Assets and Resources	
CORPORATE PRIORITY:	Engagement	
CRIME AND DISORDER IMPLICATIONS:	None	
FREEDOM OF INFORMATION ACT IMPLICATIONS:	Once published this report will be publicly available on the Council's website www.southkesteven.gov.uk via the Local Democracy link	
INITIAL EQUALITY IMPACT ASSESSMENT	Carried out and appended to report? Not Applicable	Full impact assessment required? No
BACKGROUND PAPERS:	FIN211 - amended	

1. INTRODUCTION

The Welland Partnership Members Remuneration Panel undertook a review of the Council's scheme for Members' Allowances for the period 2006/7 to 2007/8 during the summer of 2006. The report was finalised and received during September and is attached to this report. (Appendix A).

BACKGROUND

The Local Authority's (Members) Allowance (England) Regulations 2003 put in place a consolidated and simplified framework for allowances that covers district and parish councils. The Council is unable to revoke or amend its scheme of allowances without first considering the recommendations of an independent panel; this work has been undertaken on behalf of the Council by the Welland Remuneration Panel.

2. RECOMMENDATION

Council is recommended to consider the independent panel's report (as at Appendix A) and advise whether the Members' Allowance Scheme needs to be revised for the municipal years 2006/7 and 2007/8. Members are recommended to consider each of the panel's recommendations individually to ensure all recommendations are considered.

3. DETAILS OF THE REPORT - The Remuneration Panel's Recommendations

The Remuneration Panel has made the following recommendations within the body of its report.

1. That the basic allowance be set at £4,217.
2. That the Leader of the Council be entitled to receive a special responsibility allowance of £13,705. Total amount of allowances would be £17,922 (inclusive of the basic allowance).
3. That the Deputy Leader of the Council be entitled to receive a special responsibility allowance of £9,488. Total amount of allowances would be £13,705.

The Council keeps the duties of the Deputy Leader under review in respect of the time commitment and actual work load as Deputy Leader.

4. The Cabinet Members be entitled to receive a special responsibility allowance of £8,434. The total amount of allowances for each cabinet member would £12,651.
5. A special responsibility allowance of £3,163 for Chairman of Development Control Committee and The Constitutional and Accounts Committee. The total amount of allowances for each chairman of these committees would be £7,380.
6. Special responsibility allowance of £2,109 to the Chairman of Licensing Committee. Total amount of the allowance would be £6, 326.
7. Special responsibility allowance of £1,054 to the Vice Chairman of the Development Committee and Constitutional and Accounts Committee.

The total amount of allowances for the Vice Chairman of these committees would be £5,271.

8. A special responsibility allowance of £703 to the Vice Chairman of Licensing Committee. Total amount of allowance would be £4,920.
9. Each of the 5 chairman of the Development and Scrutiny Panels be entitled to receive a special responsibility allowance of £2,811. Total amount of allowances for each of the 5 chairmen would be £7,028.
10. Each of the 5 vice chairman of the Development and Scrutiny Panels be entitled to receive a special responsibility allowance of £937. Total amount of allowance for each of the 5 vice chairmen would be £5,154.

The Opposition Group Leaders be entitled to receive an allocation from a maximum total special responsibility allowance of £3,163. The allocation to be on the basis of the political balance of each group on the Council in terms of numbers of members.

11. That no allowance be made to the Chairman, Vice Chairman and Members of Working Parties, Task Panels, or Task and Finish Panels.
12. That a special responsibility allowance of £2,109 to be made available to the Chairman of the Standards Board. Basic allowance cannot be paid to Chairman of Standards Boards.
13. The Vice Chairman of the Standards Board be entitled to receive special responsibility allowance of £1,406.
14. That a special responsibility allowance of £527 be paid to the co-opted members of the Standards Board.
15. An allowance for child care and carers at £5.35 per hour (National Minimum Wage from 1st October 2006) to be applied from the 2006 Annual Council Meeting and subject to a ceiling of £1,070 per annum per councillor be available, payable for approved duties.
16. The Travel and Subsistence Allowances for elected and non-elected co-opted members be the same as the allowances enjoyed by staff employed under the NJC National Conditions of Service. The mileage rate should be the same rate as paid to casual car users. The nationally agreed mileage that subsistence rates applicable in 2006/7 and for each year thereafter should be available within the Councillors notified to its by its employer's organisation.

(Please note that the council operates a local scheme for the reimbursement of travel and subsistence for officers. The travel reimbursement is based on the Revenue and Customs tax allowances. Previously members have adopted the local scheme for the

reimbursement of travel and subsistence for both officers and members).

17. Having had regard to the time commitment of members, and particularly those with special responsibilities and there being no justification for discriminating between elected members that all elected members should be given the option of joining the local government pension scheme and payable pension should be based on both basic and special responsibility responses. Whilst budget issues are not a consideration of the panel it is never the less mindful that there are cost implications for the Council if elected members join the local government scheme, both in terms of making employer contributions and of the administration of the arrangement.
18. The panel has determined that recommendations in the report may be backdated to the date of 2006/7 Annual Council meeting.
19. The indexation should run for 2 years with the next review completed at the start of municipal year commencing May 2008.
20. All allowances with the exemption of Travel should be linked to annual NJC salary award for staff and should be applied from the date of the Annual Council Meeting each year. Travel should be directly linked to the NJC travel for staff and be applied as and when the rates of staff are varied.

(Please see the note at recommendation 16 above).

21. Only one special responsibility allowance should be payable to any member, and that this should be the highest that that member is entitled to.

5. COMMENTS OF SECTION 151 OFFICER

The Members' Allowances budget for 2006/7 is £303,000 and the travel budget is £33,000. The total cost of the allowance proposals (exclusive of travel and subsistence) is £334,000 which is £31,000 over the existing budget. In addition, a review of the travel budget will be required during the current service planning cycle. A comparison with the current levels of remuneration is provided at appendix B.

With regard for the remuneration period recommendation 17 a further budgetary requirement would need to be found to fund contributions to Members' Pensions under the LGPS.

Report FIN227 clarified the method of reimbursing members for travel and subsistence based on the local scheme operated by the Council for employees. I would suggest that this would remain the most appropriate method of reimbursing members for these expenses and therefore members may bear this in mind in their consideration of the remuneration panel report.

6. COMMENTS OF MONITORING OFFICER

In the event that members determine to accept the recommendations of the Remuneration Panel, the regulations require copies of the scheme to be published and are available for inspection at the Council offices. In addition a notice of determination of the scheme must be published in at least one newspaper in the area of the district.

7. CONTACT OFFICER

Sally Marshall
Corporate Head Finance & Resources
01476 406511
s_marshall@southkesteven.gov.uk